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THE EXPULSION OF AMERICAN DIPLOMATS FROM NICARAGUA

HEARING

BEFORE THE

SELECT COMMITTEE ON INTELLIGENCE

OF THE

UNITED STATES SENATE

ONE HUNDREDTH CONGRESS

SECOND SESSION

ON

THE EXPULSION OF AMERICAN DIPLOMATS FROM NICARAGUA

THURSDAY, JULY 14, 1988

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THE EXPULSION OF AMERICAN DIPLOMATS FROM NICARAGUA

THURSDAY, JULY 14, 1988

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC.

The Select Committee met, pursuant to notice, at 9:20 o'clock a.m., in Room SD–106, Dirksen Senate Office Building, the Honorable David L. Boren, Chairman of the Committee, presiding.

Present: Senators Boren, Cohen, Hollings, Metzenbaum, Specter, and Hecht.

Staff present: Sven Holmes, Staff Director and General Counsel; James Dykstra, Minority Staff Director; and Kathleen McGhee, Chief Clerk.

Chairman BOREN. We welcome you, Ambassador Melton, and we welcome Mr. Abrams back this morning. We appreciate you rescheduling with us. Let me say there were some reports that Ambassador Melton had met with the committee yesterday in a closed session. We did not have such a meeting with the Ambassador. We had a meeting with Intelligence Community officials yesterday to take classified testimony in closed session. It was the feeling that it would be more appropriate to hear Ambassador Melton in open session to discuss these issues with him publicly rather than in closed session. And so, therefore, this is the first meeting of the committee with Ambassador Melton. I believe this is your first appearance ever before this particular committee, and we welcome you.

Let me say, also, that the focus of this committee is not to discuss the broad questions of Central American policy which is more appropriately done in the Committee on Foreign Relations. But we will focus on specific events that have occurred in one specific country, Nicaragua, in the last few days which, of course, resulted in the expulsion of Ambassador Melton and 6 of his colleagues from that country a few days ago. Our focus is to determine just exactly what happened and to receive your assessment of the reasons why this may have taken place. And it is the jurisdiction of this committee to also assure ourselves that there was no improper activity going on beyond the normal diplomatic activity by the Ambassador and his colleagues that would have warranted this action by the government of Nicaragua.

The Senate yesterday by an overwhelming vote expressed itself very strongly in condemnation of the action of the government of Nicaragua in closing La Prensa, closing Catholic Radio, arresting people who were simply exercising their rights of freedom of ex-

pression and public assembly, and in expelling our Ambassador and his colleagues. We expressly, in that resolution, voiced our support for the action of President Reagan in taking countermeasures to remove the credentials of the Nicaraguan Ambassador to the United States. Just speaking for myself, I underline what was said in that Resolution. We are all deeply disturbed by what has happened in recent days, and it causes me personally to feel it's time for reassessment of our policy in that area. It is very important that we send the Sandinistan government, at this point in time, a strong message that this kind of behavior, which clearly violates the Esquipulas agreement and the assurances that they have given that they will be moving toward democratic reforms, simply cannot be tolerated. I hope we will be hearing from other (democratically elected) Central American leaders. I hope we will be hearing from President Arias and others, voicing their condemnation as well. We do appreciate your being here.

Let me ask other members of the committee. Senator Cohen, do you have any opening comments you would like to make? Senator Metzenbaum?

Senator METZENBAUM. I do.

Mr. Chairman, I voted for that resolution yesterday because it seems to me to be somewhat moderated from the original resolution. But, I kid you not when I say that there is something bothering me in the back in my head. That is a concern as to why Mr. Ortega, in the face of what seems to be logic and reason, would have seen fit to take the action that he did and at the time that he did it. I am concerned that some point along the way I may learn on CBS, NBC, ABC or, maybe, public radio that, indeed, our government either directly or indirectly was involved in some actions that came to the attention of Mr. Ortega and precipitated this action. The party line—and I say party line because it's coming out so generally in everything you are saying, and the President is saying, and the newspapers are saying—it seems to be that there was a Managua crackdown due to the problems of the economy. And yet I also understand that last month the government announced a number of sweeping measures—I am reading from the Washington Post of this morning—including lifting controls on wages and most prices, limiting of imports and credit, and reducing the money supply by regulating interest rates. And then Ortega says, in explaining the free-market oriented policies, that they did not represent a return of capitalism, but were taken in defense of revolutionary power.

I understand that you and your team met with COSEP, the Superior Counsel of Private Enterprise—again information supplied by the newspaper and they at that point called for the formation of "a government of national salvation". I am not exactly certain of what that means, "a government of national salvation".

But, having said that, I would say that I left another committee hearing this morning to come over here to hear you, Mr. Ambassador, because I have the feeling that I don't know everything, and I am hopeful that we will learn more of what our own government's involvement was that may have precipitated this action. And if that is not the case, and I hope it is not, then I am hopeful that we would have some reassuring facts related to us. Just saying the

economy is bad seems insufficient; people don't throw out the whole diplomatic corps of a nation such as ours on that basis. Perhaps there is something we don't know. And I am hopeful that you will provide the answers to what we don't know and make us a little bit more knowledgeable than we are at the present time.

Chairman BOREN. Thank you very much, Senator Metzenbaum. Senator Cohen.

Senator COHEN. Mr. Chairman, just let me make a brief response. As I understand last night's activity, Senator Dole offered a resolution, a "sense of the Senate" resolution, condemning Daniel Ortega's action. That resolution was modified by Senator Byrd. But frankly I must say those modifications may have provided a fig leaf under which or behind which some Members may hide their embarrassment at Daniel Ortega's actions. But the difference between Senator Dole's resolution and Senator Byrd's amendment is so small that a dime could not be squeezed "in between" and add "them". So I think that everyone in the Senate last night who voted was very uneasy about Ortega's conduct. Many are running out of excuses for his actions, which seem to be in direct contradiction to his words. So I don't want anyone to be under any misapprehension that somehow the Byrd modification to the Dole resolution was a great major theoretical or practical change.

Chairman BOREN. Thank you.

Senator Hecht, do you have any opening comments?

Senator HECHT. Thank you, Mr. Chairman.

I just want to publicly acknowledge what I said to you yesterday on the Senate floor. You made a very eloquent speech in my opinion, the finest speech that I have ever heard you make. I think you laid out extremely well what a lot of us believe in. And I would also say at that particular time you laid to rest that it is a party line, because you are a Democrat espousing a lot of things that a lot of us feel on this side of the aisle.

Senator COHEN. That was the Chairman's first speech of the year that you heard.

Senator HECHT. It was his best speech that I ever heard.

Chairman BOREN. Senator Hecht, you can have all the time you want to have to make any opening statements that you would like to make in this committee.

[General laughter.]

Chairman BOREN. I appreciate your comments very much. Let me say that my own hypothesis is—and I would summarize the testimony we had yesterday from the Intelligence Community which we did take in closed session because it was of a classified nature—I heard nothing, absolutely nothing, in that closed hearing that would give any sign of any evidence whatsoever that the United States orchestrated the particular demonstration in question, aided that demonstration financially, or that any of the diplomatic personnel who have been expelled were in anyway themselves engaged in espionage or organizing any kind of activity to overthrow the government. I heard nothing at all of that nature, and the testimony yesterday provided no surprises for me.

I think we should not start with the assumption that when we have a problem with another government, particularly a communist government, that the United States is at fault. From my own

observation, I think that what we have had is an answer to those who thought the regime would moderate if we would remove the pressure, that would reduce their military strength, that they would now implement democratic reforms, schedule election dates, remove the army as an arm of the communist Sandinista party, and allow it to become an arm of the constitutional government. That they have now answered us.

The pressure has been removed, and once the pressure was removed, they have returned to their old ways of repression, even greater repression than before. I think we have seen the result of the gracious action of those who felt that if we just remove the pressure, they would really move forward in democratic reforms. That's my own analysis. I think that it is a sign that the policy of removing the pressure has failed, that it has set back the peace talks, and it has set back the democratic reform movement. I made it very clear that I would not have voted for that resolution last night had it not held out the possibility that Congress might consider sending military aid again to the resistance forces in order to apply pressure to get the peace process back on track again, and to let the government of Nicaragua know that we are not going to stand by, turn our backs when people, who are trying to practice the democratic beliefs that we stand for in this country, of free assembly and freedom of the press and freedom of the news media, are being treated like they are. That's my own personal view. I don't speak for the committee on that point, but I certainly feel strongly that we have made a tragic error and that we are now seeing and reaping the results of the mistakes of policy.

Ambassador Melton, the committee felt, since we are looking into a very specific situation in detail, and it is not necessarily our usual practice, but because of the specifics of this situation, it would be appropriate to swear the witnesses. Mr. Abrams appeared partially before us yesterday in brief testimony. He was previously sworn. I would remind Mr. Abrams that he continues to be under oath. Ambassador, if you would stand and take the oath.

Do you swear that the testimony that you will give this committee will be the truth and nothing but the truth?

Ambassador MELTON. I so swear.

Chairman BOREN. Thank you very much. I would turn to Mr. Abrams or Ambassador Melton if either would like to make an opening statement.

Mr. ABRAMS. I have no opening statement, thank you.

Chairman BOREN. All right. Mr. Ambassador, I think it would be helpful if you might begin with any opening remarks that you would like to share with the committee and specifically address the comments made by Senator Metzenbaum, because I know he is between several commitees this morning. I think the entire committee has an interest in your recounting for us factually exactly what occurred, what the reasons publicly or privately offered by the government of Nicaragua for your expulsion and the expulsion of your colleagues. Please specifically address the point of whether or not the United States in any way, directly or indirectly, orchestrated the particular demonstration, provided finances for the particular demonstration, and whether or not you and your colleagues had gone beyond the normal diplomatic functions of the embassy. Did

you go beyond the proper role of the American ambassador, for example; did you engage yourself in any particular kind of covert intelligence gathering or espionage as well, that would have caused this action to take place? You might also specifically talk about the meeting that you had with the business leadership who are in opposition to the government that Senator Metzenbaum referred to in his opening statement.

We would welcome your opening comments, then we will turn to the members of the committee to ask any additional questions.

STATEMENT OF AMBASSADOR RICHARD MELTON, FORMER AMBASSADOR TO THE REPUBLIC OF NICARAGUA

Ambassador MELTON. Thank you very much, Mr. Chairman.

I would like to begin by saying who I am. As Ambassador to Nicaragua, I am a career Foreign Service Officer of some 25 years experience, having begun my career in Nicaragua 25 years ago in my first overseas assignment, having just concluded another assignment—a much more briefer assignment this time.

I would like to begin by commenting on some of the points made by Senator Metzenbaum. I think there is a party line, but that party line is coming from Managua and not from Washington. One could ask how can you understand how they can take these steps—they seem so irrational; they seem so inconsistent on their face with the Esquipulas Agreements and the Sapoá Agreements. They seem that way because they are. But how could they take these steps? It seems to me that the explanation for these steps says much about the composition and the purposes of the Sandinista regime in Managua. If one looks at them not as a democratic reformist kind of government but a government in transition, in transition to something called people power, in transition to a totalitarian regime, I think from that approach one understands better these latest actions. They are perfectly consistent with that analysis. Where they are inconsistent, they're inconsistent within an analysis that posits democracy as their purpose. I think the actions of the past week underscore just what their purpose is.

They have taken some steps in the economic area to which the Senator referred. They've been referred to in the press as free market oriented. I would liken them more to the phase of the New Economic Policy in the Soviet Union in the 20's. When faced with the collapse of the economy in the Soviet Union in that period, they turned to the market and to the West to try to reorder their system, the economic part of that system.

In the Soviet Union's case they had a modicum of success. In the case of the Sandinistas, they are not going about it in any systematic way it seems to me. The steps they have announced are internally inconsistent. The Sandinistas, like others whom we know, refer frequently to the internal contradictions of the system. There is no system that I know of that is more replete with internal contradictions than the Sandinista system. I think the economic policies that they have been following are evidence of that. They free one aspect of the economy and point toward the market, and at the same time they reimpose and re-establish controls—wage controls and price controls. They're mutually incompatible. They feed the

problem that they're trying to solve. So I don't have a very optimistic view of even the mid-term prospects for the economy under Sandinista management.

The Government of National Salvation—I think the Senator is correct in asking to what does that mean? I think the fact is that that concept means different things to different Nicaraguans. It has been mentioned separately by a number of groups, from the socialists on the left to the private sector groups to which he referred on the right. Their concept, I am sure, is different. But it has one thing in common, I believe, and that is a change from the system which exists now, and a movement away from the Sandinista-controlled system. That's what that concept has in common. I think it has a symbolic meaning more than a specific meaning, saying that it will be this structure with these people in it.

As to the proximate cause of my departure and that of my colleagues, the 7 who left Managua this morning. I was interested to watch Alejandro Bendana, the spokesman for the Nicaraguan Government, on television last night. He is the Secretary General of their Foreign Ministry. When he was asked questions of that type, he was very specific in citing examples and alleged evidence which justified my expulsion. I was interested in seeing some of the pictures in some of the newspaper clippings which he held up at that time.

I just happened to bring some of the same ones with me, and I would like to explain what those things really show. One that he had was a picture of several people attending a meeting in Esteli, and I believe he identified those people as a number of embassy officers. The picture which he showed sure enough was of me. One of the other "embassy officers" was my son who traveled with me to Esteli, and the other was a Nicaraguan. So that's who those people were.

I went to the event in Esteli because I was invited to go. It is normal for ambassadors around the world to be invited to events such as this. The event was a celebration of the 25th anniversary of the Cattlemen's Association of Esteli. It's in the cattle country, and they are very proud of their tradition, and I agreed to go under those circumstances.

There were a number of speeches made at that event, and there was a call for a formation of a government national salvation. I was not privy to the content of those speeches beforehand. I was in the audience as a spectator among 600 or 700 other people. The audience included a representative of Aeroflot, the official airline of the Soviet Union.

I was struck by what Mr. Bendana said last night. He asserted that I made a speech at that event, and he held up a paper which says in the headline Ambassador Melton said "tyranny never has moral justification." That's the headline he held up. What he said on that occasion was that I made this speech and used that line at that event. That is an absolute lie. As it says in the first line of the article which he held up, "The Ambassador of the United States in Managua, Richard Melton, gave a speech at the American Embassy on the 2nd of July, giving us the following words." Then they translate the speech. That was the occasion of our 4th of July cele-

bration not at Esteli but at the embassy, at the official residence, at which a number of Nicaraguans were present.

The thrust of that speech was—I admit it—it was a defense, a stout defense of freedom and democracy. It called upon the words primarily of Abraham Lincoln, and this quote is a quote from Abraham Lincoln. Some of the things I said—I will just quote a little bit of it—I said this again when I left Nicaragua. "Lincoln taught us that tyranny never has moral justification, even though it may be perpetrated through constitutions, electoral majorities, or sophisticated manipulations of the law which attempt to make the unjust to appear just."

"The privilege of being free belongs to all men who love freedom. Lincoln said it best. Those who deny freedom to others do not deserve it for themselves, and while God of justice exists, they will never retain it."

That was the thrust of my 4th of July remarks. The Sandinistas took offense at those. I do not wonder they took offense at those words. But, they were pronounced at the embassy at the 4th of July celebration and not at an opposition rally. That's the fact.

As to the role of an Ambassador, the role is varied. It is primarily to defend, protect and advance U.S. interests in the country of assignment. And that is what I was attempting to do in Nicaragua.

In the course of fulfilling those responsibilities, I and the other members of the staff, see and attempt to see all sectors of the society, of Nicaragua society. I did have meetings—extensive meetings with the opposition. I saw all segments of Nicaraguan society. I made significant efforts to see the Sandinistas. In some cases I was successful. But on the whole I was not successful. In every instance, however, the initiative came from me. There was not one initiative undertaken by the Sandinistas to approach me in any way.

I attempted to see members of the leadership of the Sandinista movement. I arrived on the 12th of April. I was received several weeks later, presented my credentials. On that occasion, I had a long meeting with Daniel Ortega. I thought it was a promising meeting. Foreign Minister D'Escoto was also present. I expressed on that occasion that we had our disagreements, that we did have diplomatic relations, and that I was available to transmit any messages which they wished to convey to the U.S. government. While my presence was not the same as the formal dialogue which they sought, it was a channel which was available to them; I was available to them. I was a career officer, and they could be sure I would report fully and faithfully anything that they wished conveyed to my government, and I did.

Subsequent to that, I had some infrequent contact at the Foreign Ministry with the Deputy Minister, Victor Hugo Tinoco. Again, at my initiative. I made a point of calling on him, for example, before Secretary Shultz traveled to the region. I asked him specifically, is there anything that you wish me to convey to the Secretary. He gave me a very brief message, we would like to normalize relations—nothing more than that. I conveyed that.

I also sought to see other members of the leadership of the Sandinista movement, including the commandantes—the leadership, the ministers. I called them directly. I was informed that all such

requests should go though the Foreign Minister. That's fine. I subsequently sent a diplomatic note to the Foreign Ministry requesting an appointment at their convenience. No response. The following week, I sent another note naming another member of Directorate, saying I would like to see this individual, and reiterating my request of the first week. No answer. The third week, I followed the same procedure, naming another commandante I would like to see. The same response. No response from the Sandinistas.

So that's the record of my all-too-brief tenure. And I think that gives a fairer picture than the one presented by Mr. Bendana.

As to the specific rally that took place in Nandaime last Sunday, it is normal for the embassy to observe events of that type. I specifically called in the embassy officers who were going to do that. I instructed them specifically that they were not participants in that demonstration, that rally; they were observers. They should conduct themselves precisely that way. They should do nothing in any way remotely indicating that there might be some confusion between participation and observation. They followed those instructions to the letter.

I sent with them an Assistant Regional Security Officer, a person who had extensive experience in the street, who could spot a troubling situation. His instructions were, if he saw anything that resembled the potential for violence that he should leave forthwith and take the people with him. And he did that.

I was interested to note another photo that Mr. Bendana showed as another cause for the action of his government. He showed this picture here, which on this side is the Assistant Regional Security Officer and on this side is a congressional staff member from a CODEL which was in town at the time. The way he presented this—he presented more of this. This is the picture as it appeared in the official party paper, Barricada. This is the Assistant Regional Security Officer holding up his hand, and the caption is that he is urging them on with clenched fist.

What it is, as we see from this picture which is the same but a fuller view, the staffer is more accurately showing what is happening. He is calling them like this. The Assistant Regional Security Officer is making the same motion, but he is finished, and it is like this. He was calling them to the vehicle so that they would go back the Embassy. They had to catch a plane, as a matter of fact.

The violence which took place there took place some hours after the embassy personal had left the scene. They were not present.

Chairman BOREN. Let me ask, did the embassy have anything to do with organizing that particular demonstration or funding that particular demonstration?

Ambassador MELTON. Absolutely not.

Chairman BOREN. Have you done anything in your role that goes beyond the normal role expected of Ambassadors of the United States around the world in all countries to engage yourself in any kind of espionage activities or any kind of activities to try to organize the overthrow of the government of that country?

Ambassador MELTON. None at all.

Chairman BOREN. The COSEP meeting was also referred to, I believe. Perhaps you have already touched on that. The meeting I believe Senator Metzenbaum was referring to, where you attended

the meeting with the COSEP leadership, a business organization which is a part of the coalition of opposition groups to the government. Could you comment on that particular meeting? Why were you there, and what was the nature of that meeting?

Ambassador MELTON. That is the meeting I referred to in Esteli. Actually it was a meeting called to celebrate the 25th anniversary of the Esteli Cattlemen's Association. The COSEP representatives as well as others were invited, and they spoke, but it was a meeting of the Cattlemen's Association.

Chairman BOREN. Could you go into some details? You talked about the coalition for a government of national salvation. As I understand, this is a coalition of a large number of opposition groups ranging from the socialist party to labor union groups to other groups, the COSEP being one of those, and several political parties. Could you describe for us the make up of this coalition for a government of national salvation?

As I have understood it, it is basically just a coalition of all opposition groups including the legitimate labor unions, the business leadership, the socialist and political parties?

Ambassador MELTON. The opposition panorama in Nicaragua is a very interesting one. It's very disparate. It's divided. There are some 20 political parties or factions there. The principal parties are conservatives, liberals, and Social Christians. Then there is an array of parties on the left. The principal groupings are—there is a group—a 14 party opposition bloc which was the nucleus which participated in the national dialogue under the auspices of the Esquipulas Agreement. There are other blocs which exist. There is the Democratic Coordinating Group. That consists of the private enterprise organization COSEP, which is an umbrella group including 6 professional business associations and chambers. It includes 2 independent trade unions; it includes 7 political parties. There is another group which is called the Permanent Congress of the Workers. That consists of 4 independent trade union centers ranging from socialists, to AFL-CIO supported, to affiliates of the communist international.

Chairman BOREN. So you attempted, as I understand your testimony, to meet with representatives of the government, the Sandinista regime. You had only one meeting, I believe, with President Ortega.

Ambassador MELTON. I had the initial meeting. I had a subsequent meeting with Foreign Minister D'Escoto again at my initiative. I had 2 meetings with Victor Hugo Tinoco, who is the Deputy Foreign Minister.

Chairman BOREN. And that was all.

Ambassador MELTON. I had two other meetings when I was called in and given protest notes. The final meeting when D'Escoto called me and expelled me.

Chairman BOREN. But again you had made many, many other requests for meetings with officials where the meetings were not set up by the government?

Ambassador MELTON. That's right. I made those requests with official diplomatic notes.

Chairman BOREN. This doesn't surprise me, because when I was there before you came, the chargé, the Acting Ambassador before

you were appointed, indicated to me that it had been well over a year. I insisted that he attend a meeting with me that I had with the Deputy Foreign Minister. Both occasions that I've met with high officials there, with Vice President Ramirez and with the Deputy Foreign Minister on a different occasion, the government had indicated they would not allow me to bring people from the embassy. It was their policy to meet with Members of Congress alone. And I thanked them very much, and said we were from one government, and it is my policy not to meet with foreign officials without members of my embassy present. So we finally did get them in. But the chargé commented to me at that time that he had been denied any meetings with officials above the clerk level for well over a year.

So that seems to be the policy. While the United States embassy has continued to try to have contacts with the official government, it has seemed to be the policy of the government to keep to a bare minimum the number of contacts that they allowed high ranking officials with our diplomatic personnel.

Has that been the continuing situation even after you were made full Ambassador there?

Ambassador MELTON. That is exactly true. It is just as I described it.

Chairman BOREN. While in Nicaragua, I certainly met myself the head of COSEP. I met, of course, with the Cardinal, with the editors of La Prensa and others, which is a common group of people along with members of the Sandinista government—that Members of Congress meet with when they visit. So you have just been continuing the normal sort of broad range of contacts with the heads of all the various groups including the opposition groups and have attempted to expand the number of meetings with the Sandinista government at the same time.

Ambassador MELTON. That's right. If I could elaborate a little bit. I think what this represents is frustration on the part of the Sandinista regime across a broad front. It is the economic situation which is disastrous. But it is not just the economic situation. They have recognized an increased activism on the part of the opposition. Some of the groups which I mentioned are of recent foundation. They see a more, a greater willingness among opposition elements to cooperate in action. The formation of the permanent Congress of the Workers is an example of this, where you have communists and socialists joining with the AFL-CIO supported trade union group, essentially to oppose the economic program and the political program of the Sandinistas.

The actions against the embassy officers, in my judgment, as I said before, was an effort really to intimidate the opposition. It was accompanied by these other actions: the closing of La Prensa, the closing of the Radio Católica, individual calls on opposition leaders. Part of a broad program of intimidation. So I think that is the way it should be recognized.

Chairman BOREN. We have had quite a discussion, as you know, in Congress about whether or not we should continue full diplomatic relations with the government there in light of all the things that have happened. But one of the purposes that it serves is that, as long as the embassy is there, it is a sort of symbol to those who

are trying to keep freedom of the press and freedom of political association, that they are not completely deserted and forgotten. So your feeling is that by forcing out the Ambassador and the 6 diplomats, the main purpose really was to sort of send a message to the domestic political opposition that you don't have as much symbolic presence of your friends there as you thought you had.

Ambassador MELTON. That's exactly right. The message is that you're alone, and you are in your hands.

Chairman BOREN. Yes. Well, let me ask you one other question. I asked you very directly whether or not you had engaged in any activities beyond the normal activities expected of a U.S. Ambassador of any country in the world, whether you had directly engaged yourself in espionage or some sort of clandestine covert operation to overthrow the government. Your answer to that question was no, am I correct?

Ambassador MELTON. That's correct.

Chairman BOREN. To your knoweldge, did any of the 6 diplomats who were expelled with you engage in those activities?

Ambassador MELTON. Actually they were 7. And none of them were engaged in such activities.

Chairman BOREN. None were engaged in such activities. They were all bona fide members of the diplomatic community there for normal diplomatic purposes.

Ambassador MELTON. Yes, they were. Let me tell you who these people are because I really admire these people, and I think the American people should, too.

They included David Nolan of our economic section. John Hope, the head of our economic section.

Chairman BOREN. Whom I have met, and by the way, I think he is one of the brightest economists anywhere, and it is tremendous that he is contributing that talent to the Foreign Service.

Ambassador MELTON. He tells it like it is. And 4 members of our political section. John Creamer, Hugh Simon, Aubrey Carlson and Del Junker. A very, very fine group.

Chairman BOREN. All career Foreign Service?

Ambassador MELTON. All career Foreign Service Officers. And the Assistant Regional Security Officer, Bob Murray.

Chairman BOREN. Yes. Well, I have had the privilege of meeting with many of those people in the past and being briefed by them in embassy briefings, and found them very capable people. I appreciate your direct answer in terms of the fact that they are legitimate credentialed diplomatic people fulfilling diplomatic functions and not fulfilling other purposes.

Ambassador MELTON. Absolutely.

Chairman BOREN. Mr. Abrams?

Mr. ABRAMS. Mr. Chairman. I just, listening to this, reminded myself, Mr. Simon who was mentioned, used to work in the Human Rights Bureau. And it just occurs to me to mention, having worked there myself prior to this. Think of the comparison, think of the support of the U.S. Embassy in Warsaw for Solidarity. Think of what the U.S. Embassy in Moscow has done for the Soviet Jewry movement in terms of maintaining personal contacts. Think of the U.S. Embassy in Panama or Santiago, Chile. And we do in fact always instruct Ambassadors to maintain contacts with the opposi-

tion, particularly in a country which is not a democracy, but also in countries which are democratic.

Chairman BOREN. I appreciate the clarification, and I will end my question with one statement, Mr. Ambassador. I appreciate, as a citizen, the comments that you made at our Independence Day Celebration at our Embassy. I hope that nothing that has happened will ever discourage American diplomatic personnel from quoting Abraham Lincoln and the values he expressed in that particular speech. I applaud you for making that speech. And if we ever have the situation where we are so timid and we do not express the values for which this country stands, I don't care in any embassy in the world, whether it is in Moscow or whether it is Warsaw or whether it is in Managua, I wouldn't see any purpose for us to have an embassy to show the flag anywhere in the world. So I commend you for doing that as a citizen. I only wish that I had been there to give you a standing ovation for your remarks. And I appreciate your sharing this with the committee today.

Senator Cohen.

Senator COHEN. Thank you, Mr. Chairman.

Ambassador Melton, we have a rather unusual situation in Nicaragua. On the one hand, we recognize the Nicaraguan government, such as it is. On the other hand, we have openly supported those who either wish to overthrow it, to remove it or to negotiate it out of power if at all possible. Doesn't that put it in a slightly different context in terms of why the chill in the relationship with the Sandinista government compared with what you might have had in past assignments.

Ambassador MELTON. It is a very unique relationship. That's certainly true. You can point to that; it is an inconsistency. How is it we can we do this and do that? But you can say the same thing of the Sandinistas. How is it that they can maintain relations with us under the same circumstances? It is an anomalous situation.

Senator COHEN. Well, how they maintain relationships with us is something quite different. I think it's obvious from their attempt to keep their Ambassador here in another context that they place a great premium on having representatives from their government here in this country. They have their freedom of movement for all practical purposes. They go on television if they are invited to do so. We have a different situation there. I assume, for example, that there will be an even more stringent crackdown on embassy personnel dealing with Nicaraguans who are not Sandinistas.

Ambassador MELTON. That's absolutely true. I didn't mention, but there was a campaign that built up over a period of weeks that culminated in the expulsion of the embassy officers. The regular occurrence would be that an embassy officer would go out on his normal business, and his footsteps would be tracked by Sandinista people. They would take photographs of him, take photographs of the vehicle. The next day in the Sandinista press, this officer's picture would appear. The vehicle's license plate would be given. He would be identified as a CIA agent. That was common practice that happened every day.

I went and complained about that for the obvious reasons. One of the points I made was, of these officers I mentioned, these are career Foreign Service Officers. Not only is their life put in danger

by identifying them falsely as intelligence agents and spies, that label will stick with them their entire Foreign Service career.

There are people who make a business out of doing this, out of publishing bogus records identifying American Foreign Service personnel as intelligence officers. These are circulated widely.

Once so named, that label never disappears from a Foreign Service Officer, and he has to go with that danger for the rest of his career.

Senator COHEN. Let me talk about the buildup of activities that you observed. Why don't you describe these in some detail, including the events surrounding your 4th of July speech? I not only share Senator Boren's view that you had the right to speak, but indeed his endorsement of your reading Abraham Lincoln's words. But put that in the context of what was taking place in Managua at the time. I would assume, for example, that a press release went out of that statement.

Ambassador MELTON. The text of the speech was reprinted.

Senator COHEN. Right. It was not exactly intended to be sent and printed in the Sandinista newspapers. But I assume the message was not for the Sandinistas as much as it was for those in opposition. Is that a fair statement?

Ambassador MELTON. I would be delighted if they would publish it in their press.

Senator COHEN. But that was not your expectation at that time?

Ambassador MELTON. Based on experience, I didn't expect they would publish it.

Senator COHEN. So you understood at that time that your words were really directed to the people in opposition to the tyrannical rule that you were denouncing by quoting Lincoln's words in that statement.

Ambassador MELTON. They were directed at the people at the 4th of July celebration. But in effect, they were directed at the people of Nicaragua.

Senator COHEN. What was the context then of events leading up to that statement and those that immediately followed it? Obviously something had taken place in the past two weeks that was somewhat different. You mentioned the economic frustration. Well, they have gone from what, a thousand percent inflation to six thousand percent inflation over the past year. They have had a number of economic frustrations. But that per se wouldn't cause this change. You have talked about the rising voices of dissent or opposition. What culminated at this particular time? Was it simply frustration or was it an act of contempt because of congressional unwillingness to do anything about it, or a combination of both? Or what exactly is your assessment as to why it occurred now?

Ambassador MELTON. A combination of things. I would note that when Secretary Shultz made his last trip to the region on consultations, and announced his intention to travel to the region again, and in effect to make every effort to try and reach a diplomatic political solution to the problems, their response to this was, I would say, defensive and negative. They attacked from the beginning the Secretary's initiatve. Found it suspect. Said it was nothing more than a war-like measure. And subsequent to that, for example the time that I was called in to the Foreign Ministry before this, at

9:00 oclock in the evening, to be given a protest note at the Foreign Ministry, the thrust of that note was to point to an alleged attack by the resistance forces inside Nicaragua and to relate that directly to the Secretary's trip to the region and to make the assertion that the attack followed directly the Secretary's trip and was part of an orchestrated campaign, and it was intended to follow the Secretary's trip.

The same basic point was made about my activities. That what I was doing—that I was orchestrating the activities of the resistance and the activities of the opposition in part of a vast so-called "Plan Melton" to destabilize the government. That formulation was really something that came out of the Sandinistas. I think it should be referred to as Plan Arce, after Bayardo Arce, who announced it.

Senator COHEN. You mentioned the CODEL that was present. Were there Members of Congress who actually were in Nicaragua at the time?

Ambassador MELTON. Yes, there was a 4-member congressional delegation at the time—a human rights delegation.

Senator COHEN. Were any of those Members at the rally at Nandaime.

Ambassador MELTON. The staff members, there were 6—I believe 6 staff members traveled up and spent several hours there in the beginning stages. I believe two of the Members of Congress drove to the city, didn't get out of the vehicle, just drove through and came back and made their plane.

Senator COHEN. Were these particular congressional Members—they were there to investigate or at least look into the human rights policy of the Sandinistas?

Ambassador MELTON. That's correct. They came in——

Senator COHEN. Was it bipartisan?

Ambassador MELTON. Yes, it was bipartisan. Two Democrats and two Republican Members. They came in. Were not received at all by the government. There was no one to receive them. They made requests beforehand via diplomatic note to meet with Thomas Borge, the Interior Minister, and with Vice President Sergio Ramirez. He had given Members to understand that they were welcome and that he would facilitate their trip. They also made requests to visit a number of prison sites. All of those requests were refused.

Senator COHEN. Did they make a request of the embassy to go to the rally? The congressional staffers?

Ambassador MELTON. We discussed their program when the formal program was not feasible because the Sandinista did not permit either the interviews or the visits. One of the possibilities was the trip to Nandaime. The members of the delegation caucused—the embassy explained what it was. I explained what it was, I explained the implications, the pro's and con's, including pointing out very candidly that should they go they undoubtedly would be another plank in the platform of the "Plan Melton" to destabilize the Nicaraguan Government. They made their decision not to go on the grounds that they were there for a specific purpose. This was an aspect of that; freedom of assembly is a human right, too. But they concluded that, in the circumstances, they had no objection to the staff people going.

Senator COHEN. Ambassador, I am going to have to declare a brief recess to go and vote, and Chairman Boren and others will be back momentarily.

The committee will stand in recess.

(A vote recess was taken from 10:11 o'clock a.m. to 10:18 o'clock a.m.)

Senator METZENBAUM. Mr. Ambassador, I am sorry I did not hear the balance of the questioning by Senator Cohen, but I have some questions. I guess this matter disturbs me not alone because our embassy staff was expelled, but also because I consider the action illogical, maybe somewhat irrational, ill timed. I am trying to find some basis, some reason for it. So my questions are directed toward seeing if I can explain to myself what went through the mind of Daniel Ortega and his associates.

Let me ask you about the Superior Council of Private Enterprise, COSEP. You indicated that there was a picture showing you and your son saying hello to somebody, or greeting them, and then you were in the audience, in the crowd, during the actual ceremony, the speeches, etc. Was there any discussion with the group of leaders or with some smaller group concerning anything more than the usual social amenities?

Ambassador MELTON. On that occasion, I went to the event and sat among the audience. I did give two books to the President of the Association. And on presenting those books I said this is a symbol of the friendship between the people of the United States and the people of Nicaragua and congratulated him on the 25th anniversary of the Cattlemen's Association. And I attended a luncheon subsequent to that.

It was interesting. As I walked down to the luncheon site I saw, much to my surprise that on the side of the building there was a large, in black, "Viva Melton". and I subsequently learned that the people from the Cattlemen's Association had caught two young men painting this on the side of the building, and they were completely unknown to them.

I suspect that what was intended was to do that and then to do more or less what has been done and to use that as another element, another building block in the "Plan Melton" and the conspiracy theory.

Senator METZENBAUM. How many people were at the luncheon?

Ambassador MELTON. At the luncheon, I would say perhaps 150–200.

Senator METZENBAUM. Did you speak?

Ambassador MELTON. No, I didn't.

Senator METZENBAUM. Did you have any conversations other than the usual social amenities?

Ambassador MELTON. No, I didn't.

Senator METZENBAUM. Nothing at all.

Ambassador MELTON. No. I just had lunch and went home with my son.

Senator METZENBAUM. There was no discussion about anything that in the ears of Mr. Ortega and his associates would have been interesting.

Ambassador MELTON. Nothing whatsoever.

Senator METZENBAUM. And had there been, during your tenure in Nicaragua, any discussions with representatives of the Superior Council of Private Enterprise which would have been of interest to Mr. Ortega.

Ambassador MELTON. I met with all elements of Nicaraguan society, Sandinista and non-Sandinista, and I did meet with representatives of COSEP as well. I am sure it is clear that the Sandinistas would have preferred I didn't meet with any of the opposition people.

Senator METZENBAUM. Well. I am not talking about meeting people, because there can be social meetings and there can be meetings in which we talk about forming "a government of national salvation". Were you involved in meetings discussing that or meetings discussing a change of government for Nicaragua?

Ambassador MELTON. Not at all. This call for a government of national salvation came as a surprise to me. I was not aware that those speeches were going to be made.

Senator METZENBAUM. Nobody talked to you about that at the luncheon?

Ambassador MELTON. No.

Senator METZENBAUM. That was not mentioned at the luncheon.

Ambassador MELTON. No. The people that—I think by and large the people that gave the speeches were—they may have been at the luncheon.

Senator METZENBAUM. They what?

Ambassador MELTON. I don't think they were at the luncheon. They may have been. Mainly it was the head of the Cattlemen's Association and he really didn't give a speech and didn't make a call for a government of national salvation. I sat next to him on one side, and my son was on the other side.

Senator METZENBAUM. I thought you said something about the fact the Nicaraguan government had just recently reestablished controls on wages. Did I understand you correctly?

Ambassador MELTON. They freed from the general system of wage and price controls, private sector—certain private sectors establishments. But at the same time they established some price controls on basic commodities. And my point was that the measures are inconsistent; and that characterizes their approach to the economy, to take one step which is moving toward the market which is entirely sensible, at the same time, to take restrictive measures which negate and complicate the overall approach.

Senator METZENBAUM. Let me go back to COSEP for a minute. Does the United States, directly or indirectly, overtly or covertly, fund COSEP in any respect?

Ambassador MELTON. Through the National Endowment for Democracy, I believe that the COSEP may be a recipient of some funds of the National Endowment, as are a number of activities inside Nicaragua. As to other activities that might be conducted, I think they were discussed yesterday in the closed hearing.

Chairman BOREN. Let me ask Mr. Abrams who was nodding his head at this point. Can you add to that answer? Is COSEP financed other than anything they may receive openly from the National Endowment for Democracy?

Mr. ABRAMS. I believe that the National Endowment for Democracy, you know, has four components: Republican Party; Democratic Party; business; and labor. And I believe that the labor components support some labor activity in Nicaragua. I believe that the component associated with the U.S. Chamber of Commerce may well give funding to COSEP. That would be completely overt.

Chairman BOREN. That's open. It's all open.

Senator METZENBAUM. Mr. Ambassador, knowing everything that you know about these several months that you were down in Nicaragua, can you think of anything that occurred in that 3 or 4 month period that, coming to the attention of the government, would have caused them to take the action in which they did? Anything?

Ambassador MELTON. Well, I think, as I said, they were concerned about the new activism on the part of the opposition. They were concerned about the state of economy and concerned about a variety of other things. My association which was considerably exaggerated and hyped by themselves I am sure was of concern to them. And I am sure—I would think it highly likely after running this, in effect a campaign of this type, focusing on me and on the U.S. Embassy, that that would create some problems within their own organization. Why is it? How can it be that you have a den of spies operating out of the U.S. Embassy, and you're not doing anything about it? So at some point in that process you create pressures on yourself to respond. And it may well be that it reached such a point that after the violence where the people did not stand down, were not cowed by the heavy presence of the military in Nandiame, but in effect fought back, that at that point they were trapped by their own words. That could well be.

Senator METZENBAUM. That I understand, but that wouldn't provide any corroborative basis for Mr. Ortega. What I am looking for is that scintilla of evidence that would let him say, "Well, look what the Americans did in this respect." And I am asking you, can you tell us of any scintilla of evidence they might have used, or others in his team might have used, in order to justify the action which was taken?

Ambassador MELTON. I think it will be a long search.

Senator METZENBAUM. Well, that isn't quite the answer.

Ambassador MELTON. I don't think there is a scintilla of evidence.

Senator METZENBAUM. You don't think there is?

Ambassador MELTON. No, I do not.

Senator METZENBAUM. All right. Thank you very much.

Chairman BOREN. Thank you, Senator Metzenbaum. I think, Mr. Ambassador, given our oversight responsibilities, the point of the questions that have been asked by the members of the committee is to make sure there are no surprises here. And that it does not come out that one of these diplomats or yourself was really engaged in espionage, that you weren't really diplomats following the normal diplomatic function. That has been the purpose of the questioning.

Senator METZENBAUM. I would say either espionage, Mr. Chairman, or encouragement, financial or otherwise, of dissident elements.

Chairman BOREN. Inappropriate activities to try directly to stir up violent reactions of the government.

Ambassador MELTON. The Ambassador in any post is the principal representative of the U.S. government. And in that capacity fulfills those functions. As to specifics of activities of an intelligence nature, that is, it seems to me, the proper subject of a closed hearing.

Chairman BOREN. We understand that. We understand the appropriate role of the Ambassador in any country. I've heard your answer, and I asked you very directly earlier in the session. Let me ask Mr. Abrams. Mr. Abrams, do you have any knowledge that would contradict any of the assurances that have been given by Ambassador Melton, in any of his answers to the committee today, that neither he nor any of his 7 colleagues, who were expelled were engaged in any kind of improper activity beyond the normal diplomatic activities that would be expected of any American diplomatic personnel in any country?

Mr. ABRAMS. No, I don't Mr. Chairman. And I would just reiterate that the normal diplomatic activity which we instruct Ambassadors to undertake, thank God, nowadays in the U.S. is to maintain contacts with opposition elements whether that's an opposition democratic party in France or opposition element in a closed society.

Chairman BOREN. Yes. I think that that is certainly appropriate, and it's been my experience when I have been in any other country that our embassy personnel make sure we not only meet with the government or the political power or party in power at that time, but that we meet with the opposition leaders in a broad spectrum, and if there's more than one opposition party, we meet with the leaders of as many of them as we can.

Well, I appreciate your both appearing this morning.

One more question? One more question from Senator Metzenbaum.

Senator METZENBAUM. Elliott, let me repeat for you the scintilla of evidence question that I asked the Ambassador. We're not talking about normal contacts with opposition parties. What I am asking about is, is there a scintilla of evidence that could have been brought to Mr. Ortega and/or his associates indicating that the United States government has been involved in activities which in his mind—whether or not in our mind—might have justified his actions?

Mr. ABRAMS. No, Senator. In fact, I know of no such evidence and I think it is kind of ironic that this action was not taken by the Sandinistas in the period in which the United States was actually giving military support to the Nicaraguan resistance, but rather comes at a point at which that support has ended. But I know of no such evidence.

Chairman BOREN. Thank you very much, and let me say again for those who are observing this meeting, who of course were not in the closed meeting of the Intelligence Committee when we took sworn testimony of a classified nature from representatives of the Central Intelligence Agency and the Intelligence Community, I would repeat here that nothing we heard in that closed session of a classified nature would contradict anything that Ambassador

Melton has said today. Not one piece of evidence was presented to us, not a single piece of evidence or even an implication was presented to us that either Ambassador Melton or the 7 other diplomats who were expelled were engaged in any other kinds of activities other than those that have been outlined here in public session.

Let me just say to you, Mr. Ambassador, again a word of appreciation. I have been in our embassy in Managua on two different occasions. I know the hardship under which members of the Foreign Service and their families operate who serve in posts like that, where they are really cut off from any normal contacts with the public and the government, where life is made difficult, where obviously there is a good deal of risk involved in serving.

I want to express my appreciation to you and by expressing it to you to express my appreciation to members of the Foreign Service who serve us so well not only there but other places. I think sometimes here in Congress, as we debate myriad micromanagement amendments on State Department authorization bills, that there can be conveyed an impression sometimes to the career members of our Foreign Service that their role and their work is not appreciated. I want you to know that there is a great deal of appreciation in the Congress for the role which you play.

I was telling Senator Metzenbaum, I suppose some of the most intensely emotional experiences in my life, some of the most emotional meetings I have ever had that will be with me always, occurred in Nicaragua in my visits there. Meeting with people like Mrs. Violetto Chamorro, Mr. Godoy, the head of the legitimate labor union movement in that country and others. They were people who are not Somoza followers. Mrs. Chamorro's husband was murdered by Somoza because he dared practice freedom of the press. There's a statue to her husband erected by the Sandinistas in Managua. She served on the junta. Mr. Godoy was a supporter of the Sandinistas, not a supporter of Somoza. And the others that were there at a very small meeting with me, at a dinner in fact, were all of that category: they were all original Sandinistas. I will never forget their saying to me, our revolution was stolen from us just as happened in Czechoslovakia and other places, where the police and the repressive side of government came under the control of radical elements and then went on to establish what I called on the floor yesterday a Communist dictatorship. I don't know any other way to honestly state what it is down there. They said to me, I hope you'll never forget us. It is easy for a big country like the United States, even though you espouse these values which you quoted in your Independence Day observance, to forget people who are caught in the middle. They weren't Somoza followers. It is a shame and a blot on our country that we continued to support in any way Somoza for as long as we did. In my opinion, I think we are paying a heavy price for that past mistake.

But these are people who stand for what we stand for. They weren't for a right wing dictatorship, they're not for a left wing dictatorship. They're there trying to support the democratic values in which we believe. They said to me, I hope you just won't go back to Washington and forget us. All I can say is it would be impossible for me to ever forget them. And if people want to know why I've

become involved in this issue, it is because of people like that. I don't think I have ever met people that I think are braver than those people or more courageous in upholding the values we believe in. That's why I feel so passionately about this. I attempt very much as chairman of this committee to be impartial. Make sure that all points are heard. To make sure that the tough questions are asked because we have an oversight responsibility that demands, whatever my personal view is, that we ask the tough questions, that we make sure that only appropriate activities in which the Congress is fully briefed are conducted by our government anywhere in the world.

I appreciate the fact that you supported those values and that you have done so so eloquently in your time there, and I appreciate the sacrifice that you and many, many others make, not only there, but at a lot of other tough posts around the world. So I want to take this occasion to thank you and through you, thank the other members of the Foreign Service who operated very professionally under difficult conditions.

Ambassador MELTON. I and my colleagues thank you.

Chairman BOREN. Thank you very much, and the hearing will stand in recess. Oh, wait; here is Senator Specter. Just a moment. I told Senator Specter that we would probably go on a little bit longer than we're going. Senator Specter, we will turn to you at this point.

Senator SPECTER. Thank you very much, Mr. Chairman. The timing was good for a change.

Chairman BOREN. I won't even repeat my closing speech again at the end.

Senator SPECTER. I regret that I was not able to be here all morning, Ambassador Melton. I know you understand the conflicting schedules. This was an add-on at the last minute. I had been here for a few moments earlier before leaving for the vote, and I do have a few questions that I would like to ask you this morning. Which may necessarily be repetitive. I think some of these questions may be appropriate for Secretary Abrams as well.

Where do we go from here, Ambassador Melton or Secretary Abrams? Secretary of State Shultz was in the region recently. There's the issue of what is happening in the negotiations on the peace process. Is there any vitality left to that at all? Let me start there, and maybe Secretary Abrams, you would be a better person to start with. Are the negotiations for the peace process a shambles or is it possible to pick that up in a realistic way?

Mr. ABRAMS. Certainly these actions damage the potential success of the negotiations. We're almost at the anniversary of Esquipulas; it was August 7th. And in that agreement the Sandinistas promised, for example, freedom of expression, freedom of press. So a year later they are moving in the wrong direction rather than the right direction. And President Arias—this is Thursday—I guess it was Tuesday, denounced them rather strongly for these violations and these actions, particularly the internal repression, not just the expulsion of our mission, but the internal repression.

So the question becomes one of compliance, really. It's not a new question; it's an old one. But what is the point of getting more Sandinista promises. What really is required now is getting some per-

formance on promises which are already on paper from Esquipulas, San Jose.

Senator SPECTER. Mr. Abrams, what did the Secretary accomplish, or perhaps better stated, what was he focusing on and what were the results of his meetings, to the extent you can tell us?

Mr. ABRAMS. Well, first, just to put on the side, there were a number of bilateral issues with the countries that we visited. For example, human rights questions. But with respect to the regional perspective, the Secretary's main message was that we needed to keep pressing on the diplomatic track for compliance with agreements that were already signed.

That is, that the framework was there in the Esquipulas and San Jose agreements. We did not need a new agreement. What we needed was a way of implementing the agreements that have already been reached, and it was the Secretary's public statements as well as private statements that clearly more pressure on the Sandinistas was needed—economic, diplomatic, political—to get them to move closer to the agreements that they had already signed.

And what we discussed with all four of the democracies was how could this be done? One thing that came out of it was that we thought it would be useful to meet again. So the Secretary will probably have a chance to visit Central America again and talk with the four democracies. But, the main point was to say that we thought the framework was there, and we had to figure out a way, the four of them and us—the five of us had to figure out a way to make the Sandinistas comply.

Senator SPECTER. So Secretary Shultz has not lost his hope, if not expectations, that negotiations can lead to something?

Mr. ABRAMS. That's correct; not at all.

Senator SPECTER. Now he met with the 4 nations. What are the considerations that are controlling this continuing issue of whether the United States ought to have direct talks with the Sandinistas? That has been an issue which has been considered for a long period of time. What is the current thinking of the State Department on that question?

Mr. ABRAMS. The Secretary did address this when he was in Central America. He was the person that went to Managua in 1984 and initiated the 9 rounds of talks in Manzinillo that followed. And our impression is those 9 rounds of talks, bilateral, direct talks, were abused by the Sandinistas. That they were not serious efforts at negotiation, but rather were used by the Sandinistas to undercut the regional negotiations and undercut the internal opposition. And we have taken the view that——

Senator SPECTER. When did those conversations occur?

Mr. ABRAMS. 1984, I believe.

Ambassador MELTON. The end of 1984 through——

Mr. ABRAMS. Through the spring of 1985.

Senator SPECTER. And how many such talks were there of bilateral negotiations?

Mr. ABRAMS. There were 9 rounds of talks plus the Secretary's own visit to Managua. Our view is that there are serious negotiations now going on regionally. The Esquipulas, San Jose discussions and a chance of a summit later this summer. And until the Sandinistas have indicated that they are really taking those seriously by

complying with the agreements they signed, then our fear would be—our belief is that they will once again use talks with us to undercut the internal opposition and the resistance and the regional talks.

Senator SPECTER. If there were to be a showing of good faith by the Sandinistas, would there be a possibility of additional bilateral talks between the United States and the Sandinistas?

Mr. ABRAMS. Multilateral talks, I would say. That is the statement that the President made in November of last year to the OAS when he referred to engaging in talks with all 5 Central America countries, because the issues that we would wish to discuss are really regional issues. But yes, the answer to your question is yes. Our problem has been that we don't want to help the Sandinistas undercut the regional talks that are now underway.

Senator SPECTER. What is the reality at the present time, Mr. Abrams, in your view, of having any significant military impact by the contras, assuming there were to be additional aid from the Congress on military aid?

Mr. ABRAMS. Our information is that the resistance remains a coherent organization. That is, that since the cut off of funds at the end of February, there has not been disarray, chaos, desertions and so forth. And therefore the resistance is certainly capable of utilizing any renewed military aid that the United States might give.

Senator SPECTER. They are capable of utilizing it. We have had extensive discussions with the Secretary in the Foreign Operations Subcommittee, and the point of concern that arises for me is that the object of the military aid always seems to keep them off balance as opposed to having anything decisive happen. Is there any reason to think that additional military aid would have a significant impact on advancing the peace process or an ultimate disposition of these troublesome issues?

Mr. ABRAMS. I believe the answer to that is yes. I think—remember that the military aid was approved in very late 1986, and it was really spent during 1987. And the greatest strength of the resistance was in the later part of 1987, and then the beginning of 1988 prior to the cutoff of funds.

That is precisely the period in which the Esquipulas agreement and the San Jose agreement were reached, which were the greatest commitments the Sandinistas have made. For example, San Jose, January 1988, an absolute commitment to freedom of expression, freedom of the press. Then since the cutoff in February, we have seen more and more repression in Nicaragua, and we have seen no progress on the diplomatic track. The progress on that track came when the resistance was doing well militarily. So I think the logic of it is that the Sandinistas do respond to that pressure, and had the pressure been maintained, they would have responded more, and they might have had to comply with these agreements. I don't know if the Ambassador——

Ambassador MELTON. I agree. I think that is precisely right. My experience down there convinced me more than ever, that really, they do respond only to pressure. There are a variety of forms of pressure: political, diplomatic, economic, and military. But I think that all of those are needed or they will not respond. I think the evidence of the past week underscores that.

Senator SPECTER. What impact do you see arising from the Presidential elections in this country? You have very different positions, obviously, from Vice President Bush, the probable nominee of the Republican Party and Governor Dukakis, the probable nominee of the Democratic Party. Knowing the Sandinista's proclivity for utilizing every opportunity and then some, given the uncertainties as to what the next administration will do, is there any realistic likelihood that there can be any significant progress during the course of the next several months between now and November or January?

Mr. ABRAMS. I would have answered that a week ago by saying yes, because it seems to me the logic of it was an effort on the part of the Sandinistas to get the best possible diplomatic relationship with the United States under President Reagan. Given their view, what I take to be their view, that President Reagan is a harder line anti-Sandinistas figure than either potential successor. Now, if they believe that then that will, you know, create a mark. And then move up from it when President Reagan has left office next year. I think there is a logic to that. But then they go ahead and throw out 7 members of the U.S. Embassy and the Ambassador.

So apparently they are not interested in improving diplomatic relations with the United States in the remainder of President Reagan's term. They seem to be making a different calculation which is that the internal situation is too worrisome and they better be more forceful in bringing it under control right now. I would think obviously they are hoping that there is a cutoff—an even further cutoff of support, perhaps even humanitarian support, for the resistance next year. But they don't seem to be looking for better relations with us or they wouldn't have done what they did this week.

Senator SPECTER. Well, if your inference is that they don't look for better relations during the course of the Reagan administration, is there an equally logical inference that they don't look for anything significant to happen between now and the next Administration?

Mr. ABRAMS. Again, I think, the logic would have been that they want to avoid internal repression, additional incremental repression in order to avoid the possibility that Congress would respond by renewing or increasing aid to the resistance. But they are not following that logic or they would not have taken the actions of last week. The logic seems to be following an internal dynamic which is much less addressed to Congress. It is possible that they think with the recess coming up for the two conventions and so forth, that it's just too hard for Congress to act.

I would suspect, though, that they are not focusing as much on us as we sometimes think. Rather that they have got a rough internal situation. The people of Nicaragua are more and more visibly against them, and they have decided to suppress that regardless of the costs here in Washington.

Senator SPECTER. I have just two more questions. The first is, where do we go from here with respect to diplomatic relations? Ambassador Melton, does this, and our retaliation signify that that is it for the foreseeable future or is there an expectation that there

will be some welcoming signal for a U.S. Ambassador in Nicaragua relatively soon?

Ambassador MELTON. Well, I would think there will be an immediate test of what's happening next. I think the evidence is fairly discouraging thus far in that the additional actions they have taken against members of the opposition and repressive actions generally in the wake of the expulsion of the embassy people. But one of the near-term tests will be when we send additional people there—how they are received and whether they are allowed to conduct normal activities. If they react in the same way, in my judgment it would be very difficult to conduct a relationship under those circumstances. So I think that will be a very real test of their desire to maintain relationships.

Senator SPECTER. My final question is your evaluation of what effect, if any, a strong Senate resolution has? Yesterday we voted 90 some, to I believe, 3 with very strong language condemning the actions of the Nicaraguan government in expelling you, Ambassador Melton, and in repressing La Prensa and the other actions which they took, and saying that this sort of conduct could well result in some very strong measures being taken by the United States. For evaluation of future activities of our body, does it have any real meaning?

Ambassador MELTON. Well, I think the Sandinistas are impressed more by actions than words. But I think they are impressed, that said, by an evidence of resoluteness on the part of the U.S. Congress and evidence of bipartisan agreement on an approach to take. That impresses them no end.

Senator SPECTER. You think there may be some evidence of resoluteness with the resolution?

Ambassador MELTON. I am going to continue; I am going to continue my real point. I was struck that the last CODEL that came down with the human right focus. They came with, in their hands, a resolution signed by some 200 members. They were not received at all, not by even the protocol people on arrival or on departure, and were given no appointments and allowed to make no visits. That's with a group—a bipartisan group, Democrats and Republicans—having just authored a resolution that had 200 signatures on it.

So I think they are more impressed by actions than words, and that we have got to find some formula that will convince them that we have the requisite resoluteness to pursue a policy.

Senator SPECTER. Thank you Ambassador Melton, Secretary Abrams. Thank you, Mr. Chairman.

Senator COHEN. Ambassador Melton, let me ask you, if our embassy personnel including the Ambassador are not allowed to meet with ordinary citizens, either those who are supporting the Sandinistas or those in opposition, on a regular or normal basis, what function or purpose does it serve to be there, giving legitimacy to a government that we believe to be the illegitimate representative of a free people?

Ambassador MELTON. Very marginal. A very marginal purpose.

Senator COHEN. In your judgment then, if the embassy staff including its Ambassador is not allowed to maintain normal diplo-

matic activities, there would be no purpose in continuing the presence in Nicaragua?

Mr. ABRAMS. Insufficient purpose to justify it.

Senator COHEN. Yesterday President Arias of Costa Rica condemned the actions of the Sandinista government, and he said, I always thought the Sandinista movement toward a more pluralistic society and their compliance with the democratization stipulated by the peace plan were irreversible, but that's not so. The question I have is, what impact, if any, does such a condemnation have coming from President Arias or other Central American state leaders?

Ambassador MELTON. It has an effect, but again the Sandinistas are impressed by concrete actions more than they are by words. The pressure that comes through diplomacy which is not backed up by the threat of something else doesn't have very much impact on the Sandinistas.

Senator COHEN. Is your assessment then that Arias' statements have a greater political impact in the United States than they do in Nicaragua?

Ambassador MELTON. That remains to be seen. I don't think——

Senator COHEN. If they have any impact at all—let me qualify that.

Ambassador MELTON. I don't think at this point they're much impressed by them. They've carried out a parallel campaign against President Arias as well, publishing all manner of reports of alleged abuses, human rights abuses in San Jose, and referring to the, quote, perfect democracy of San Jose, unquote, trying to make links between drug money and President Arias. That sort of thing, trying to denigrate him generally.

Senator COHEN. But what I was suggesting is not that the Sandinistas pay very much attention to him, but in view of the fact that many Members of Congress pay a good deal of attention to his efforts to structure a peace plan as such, and to the extent that he makes statements such as he did yesterday, it would seem, to me that due regard would have to be given to his statements of pessimism, as well as to his past statements expressing optimism that some sort of irreversible dynamic could be set in motion to bring about a democratic pluralism in Central America.

Ambassador MELTON. I agree with that.

Senator COHEN. That's all the questions I have. If there are no further questions, I declare the public meeting closed. Thank you, very much, Ambassador Melton, for your testimony and Secretary Abrams for appearing here today. The committee will stand adjourned.

[Thereupon, at 10:57 o'clock a.m., the committee was adjourned, subject to the call of the Chair.]

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